Private investment in heavy industries

1652. SHRI C. RAMACHANDRAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have identified such Heavy Industries wherein the private sector investment is likely to be allowed in the near future;

(b) whether any of industries are located in Andhra Pradesh;

(c) if so, the details thereof; and

(d) the funds likely to be invested by the private sector therein?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Under the liberalized Industrial Policy regime, Private Sector investment is allowed in almost all sectors of the industrial activities except for certain specified sectors where prior Government approval is required.

(b) to (d) The choice of the location of industries and the investment in the Project concerned is a matter of tech no-economic assessment of the entrepreneur/promoter.

State Government of Andhra Pradesh have identified certain sectors like Hi-tech manufacturing, Textile, Pharma, Biotech, Food Processing as thrust sectors based on the resources. So far 3182 proposals with industrial investment proposal of Rs. 47,919 crore have been established in the State.

Strategies adopted at Valetta, Malta to protect farmers' interests

1653. SHRI KALRAJ MISHRA:
SHRIMATI SUKHBUNS KAUR:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether in view of the fact that in most of the developing Commonwealth countries including India over 60 per cent of the people depend on agriculture for their livelihood, a strategy was evolved at the recent meeting of the Commonwealth countries at Valetta in Malta, to provide for livelihood security for the farmers by removing distortions in international trade rules under WTO regime, which are created by developed countries through huge domestic support and export subsidies to protect their farmers;

(b) if so, the details of such strategy; and

(c) the steps taken and being taken by Government in the light of the strategy?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) The Commonwealth Heads of Government Meeting (CHOGM) was held in Valetta, Malta on 25-27 November, 2005. In the "Valetta Statement on Multilateral Trade" issued at the conclusion of the Summit, the Heads of States, *inter-alia,* recognized the following:—

> "We are mindful of the critical importance of agriculture to developing economies for subsistence, as a reservoir of future economic growth, and as a sector where many of our members have a potential comparative advantage. Agriculture is the most distorted sector of world trade and we are determined to pursue significant progress towards fuller and more meaningful subjection of agricultural production and trade to multilateral disciplines. We note the offer on agriculture made by the United States of America and express the hope that the European Union and others who maintain high levels of agricultural protection respond in the same spirit."

(c) India's overall objectives in the negotiations launched at the Doha Ministerial Conference of the WTO in November, 2001 have been to secure a final outcome on agriculture that is consistent with the agreed negotiating mandate for early elimination of all forms of export subsidies, substantial and effective reductions in trade-distorting domestic support, and substantial improvements in market access particularly for products of export interest to developing countries. Simultaneously, it has been agreed that special and differential treatment for developing countries will be integral to all aspects of the negotiations, recognizing that agriculture is of critical importance to the economic development of developing country members and they must be able to pursue agricultural policies that are supportive of their development goals, poverty reduction strategies, food security and livelihood concerns.

The Hong Kong Ministerial Declaration also included a decision to eliminate export subsidies, which are mainly provided by some developed countries, by 2013, with substantial part in the first half of implementation period and to eliminate cotton export subsidies by developed countries

by 2006. Developing countries will continue to benefit from the provisions on marketing and transport subsidies on agricultural exports for five years after the end date for elimination of all forms of export subsidies. On trade-distorting domestic support, the three heaviest subsidizers will attract the steepest cuts also in the reductions in their AMS, while the developing countries without agricultural market subsidy will be exempt from any cuts on *de minimis* and on overall trade-distorting support levels. In respect of market access commitments, it has been agreed that a four-band tariff reduction formula will be developed. In order to address their food security, livelihood and rural development needs, developing countries to have the flexibility to self-designate an appropriate number of Special Products, whose treatment will be more flexible. In order to safeguard farmers in developing countries against import surges and adverse global price movements, import quantity and price triggers have been agreed as the core structural elements of the Special Safeguard Mechanism.

Affairs of CMC

1654. SHRI A. VIJAYARAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Spices Board, in the month of February, 2006, asked the Cardamom Marketing Corporation (CMC) at Vadanmedu, Idukki district, Kerala not to conduct any Cardamom auction;

(b) if so, the reasons therefor;

(c) whether CMC is in serious financial crisis due to mismanagement and diversion of funds to other areas;

(d) if so, the details of action taken including those to protect investors investment in CMC;

(e) the financial dues of CMC to banks and non-banking financial institutions as on date; and

(f) the steps taken to proceed with Cardamom auction as on date?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir. The Spices Board has suspended the license of Cardamom Marketing Corporation and has issued a Show Cause Notice for cancellation of the same for violation of the conditions of the license.